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UNIVERSITY OF ZIMBABWE
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Paper 19

*THE ESSENCE AND CHARACTER OF THE NEW TRENDS
IN AFRICAN DEVELOPMENT*

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INTERNATIONAL SEMINAR SERIES

SEMINAR ON
SOUTHERN AFRICAN
RESPONSES TO IMPERIALISM

HARARE
22-24 APRIL 1987

THE UNIVERSITY OF ZAMBIA
SCHOOL OF HUMANITIES AND SOCIAL SCIENCES

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TRENDS IN AFRICAN DEVELOPMENT

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Paper prepared for, and presented at the International Seminar Series, organized by the Political and Administrative Studies Department of the University of Zimbabwe, Harare, between 22nd and 24th April, 1987.

INTERNATIONAL SEMINAR SERIES

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INTRODUCTION

From a high point at the dawn of independence in the 1960s, the aspirations of the majority of the African masses, have been reduced to dying embers. The widespread ramifications of the crisis of the imperialist system in the 1980s, have found acute manifestations on the African continent. The decline in the real earnings of African countries from the export of their agricultural products and mineral raw materials, on one hand, and the rise in the cost of their imported industrial inputs and manufactured goods on the other ~~hand~~, has had a crippling effect on their development projects. The ensuing poverty and social problems have precipitated political instability and reduced the capacities of governments to find long-term solutions to problems facing their nations. This sombre picture has caused many to wave their hands in the air in helpless resignation. In this maze of confusion the vision of sympathisers and patriots alike, has been blurred in respect to the emerging trends, in, and character of, African development. This situation poses grave danger to the continent, because it camouflages the evil machinations of imperialism, and allows it to exploit the people at will. In order to counter the rapacious plunder of imperialism, African intellectuals and patriots alike, must take it upon themselves to at all times lay bare the dynamics of the development process.

In this paper, I aim to show that in the prevailing economic crisis, imperialism is spear-heading a new phase in primitive accumulation of capital. In particular my focus is on the transformation of pre-capitalist forms of agricultural production and the establishment of capitalist agrarian relations. In contrast to the primitive accumulation of capital during the genesis of capitalism, I demonstrate that in the era of capitalist imperialism, African masses can place little hope on the process today, because of its inherent serious contradictions and failure to solve social problems. By the same token, the analysis is meant to confound the exponents of the view that capitalism is impossible at the periphery, by demonstration how the same laws operative at the beginning of capitalism in Europe are with slight modifications operating in Africa today. Zambia is taken as a case study for the analysis. Following this introduction, is a section on the paper's conceptual framework which is then superseded with the case study. The conclusion deals with the problem of interpretation of the trends, their essence and character, and future prospects.

THE CONCEPTUAL FRAMEWORK

It is surprising that, though the reality of a global imperialist system, is widely accepted today especially in evidence of the generalized character of economic crises, some analysts choose to continue looking at the development process in the Third World, as though it bears no relationship to the same process in the advanced capitalist nations. The truth of the matter, however, is that no understanding of development in either of the two blocs, can be ^{had} ~~heard~~, if they are considered in mutual exclusion of each other. National development processes can only be

fully understood within the context of the world capitalist system. This conceptual framework requires that we understand the genesis of capitalism as a mode of production and its transformation into a world system. Furthermore, it requires that the special nature of each different phase in its development be fully grasped. Only then can we be able to establish the essence and character of its development. For this reason, the ^{be} ~~outline~~ ^{outline} of this study is broken into three summary headings, i) Primitive accumulation of capital at the centre, ii) Primitive accumulation of capital at the periphery, and iii) The crisis of the world capitalist system and the new trends in African development.

i. Primitive Accumulation of capital at the centre

In summarising the historical pre-conditions for the emergence of the capitalist mode of production, Marx wrote that:

The so-called primitive accumulation, therefore, is nothing else than the historical process of divorcing the producer from the means of production. It appears as primitive, because it forms the pre-historic stage of capital and of the mode of production corresponding with it.¹

Marx dates the advent of capitalist production proper to the 16th century. Primitive accumulation of capital antedated capitalist production, and continued to spur the process long after the mode of production had established itself. Contrary to the assertions of capitalism's apologists, it was neither thriftiness nor prodigious hardwork that ~~ushered~~ ^{ushered} in modern industry, rather "2. capital comes dripping from head to foot, from every pore, with blood and dirt."² The way for capitalist production in Europe was cleared by the forcible destruction of the material basis of feudal society. We are told that:

The spoliation of the church's property, the fraudulent alienation of the state domains, the robbery of the common lands, the ~~usurpation~~ ^{usurpation} of feudal and clan property, and its transformation into modern private property under circumstances of reckless terrorism, were just so many idyllic methods of primitive accumulation.³

The expropriation of the agricultural population from the land achieved a cardinal objective of utmost importance to the capitalist production process; it created a class of wage-slaves, who, freed from ownership of means of production could only survive by selling their labour-power to the capitalist owners of the means of production. Thence, appeared a class of wage slaves, who once harnessed to the means of production in the hands of capitalist proprietors ensured the capitalist process of capital accumulation. Thus, from the very beginnings capitalist production was characterized by the progressive concentration of society's means of production in the hands of a few members of society - the capitalist class and the transformation of the labour power of the majority members of society, the proletariat, into a commodity for sale on the capitalist labour market. The whole process was characterized by mass pauperization of great sections of society.

The forcible divorcing of the great mass of the people from their individual means of production, scattered over wide territories of land, and the transformation and concentration of their former plots of land into private property of a few, formed the historic basis of the home market.

But primitive accumulation of capital was not confined to the expropriation of agricultural populations in the mother countries. Pillage and plunder of non-capitalist societies was yet another method used for the acquisition of the initial capitals necessary for setting up capitalist production. Marx's vivid depiction

of this process still remains the classic summary of the crude methods employed by the nascent capitalist class to accumulate their initial sums of money:

The discovery of gold and silver in America, the extirpation and entombment in mines of the aboriginal population, the beginning of the conquest and looting of the East Indies, the turning of Africa into a warren for the commercial hunting of black-skins, signalized the rosy dawn of the era of capitalist production.

Proceeds from foreign plunder and high seas robbery founded the basis for the flourishing of many a-European commercial towns. For example, "Liverpool, employed in the slave trade, in 1750, 15 ships; in 1751, 53; in 1760, 74; in 1770, 96; and in 1792, 132."⁵ Nor was England alone in this plunder; the Dutch at the sametime were busy warring in human trade. "Banyuwangi, a province of Java, in 1750 numbered over 80 000 inhabitants, in 1811 only 18,000."⁶ The others had been exchanged for the commercial prosperity of Holland. World famous financial houses such as Barclays Bank International and Lloyds of London, are among the many corporations of today that owe their origins to bloody money. Foreign plunder, therefore, was a very important source of money that flowed back to the mother countries as capital.

Without defeating the feudal classes and usurping political power, the capitalists would have found it very difficult to establish their sway. Control of state-power enabled the capitalist classes to pass legislation in favour of capital accumulation. Soon statesmen, became the leading spokespersons of colonial policies that resulted in colonization and unrestrained plunder of colonial lands by capitalist monopolies. Capitalism as a mode of production was born with a state fitted to serve its own interests.

Once capitalism had established itself and the process of capital accumulation had got underway, its productive forces expanded to a point where it no longer became possible to contain further growth within national boundaries. Further development became conditional upon the incorporation of other lands in order to ensure profitable capital investments, secure sources of raw materials, and find new markets. Capitalism expanded into a world wide system that we have come to know as imperialism today. Lenin's theory of imperialism has laid bare the economic forces behind this expansion and elucidated its essential features and character.

Economically, the main thing in this process is the displacement of capitalist free competition by capitalist monopoly. Free competition is the basic feature of capitalism, and of commodity production generally; monopoly is the exact opposite of free competition, but we have seen the latter being transformed into monopoly before our eyes, creating large-scale by still-larger-scale industry, and carrying concentration of production and capital to the point where out of it has grown and is growing monopoly: Cartels, syndicates and trusts, and emerging with them, capital of a dozen or so banks, which manipulate thousands of millions.⁷

Imperialism, then, is the integration of the non-capitalist lands into the capitalist international division of labour and world market. And great success is ensured most where there is complete subjugation of the non-capitalist lands and their peoples:

Colonial possession alone gives the monopolies complete guarantee against all contingencies in the struggle against competitors, including the case of the adversary wanting to be protected by a law establishing a state monopoly.⁸

Of course, imperialism as we know today, is able to carry on exploitation without the assistance of formal colonies. But rather than view this as renewing the above definition of imperialism, it should be seen as a new phase in capitalist development which has altered the conditions under which it is able to exploit but has retained its essential character.

Studies of peripheral capitalism continue to be the center of great controversy. Much of the debate rests on the nature of capital accumulation at the periphery. The major question that is often asked is whether or not capitalism is able to spearhead national development. I am not going to enter into the debate here. Suffice it to mention that the proper approach is to view the periphery of world capitalism as part of the capitalist world system. Viewed in this light capitalist accumulation at the periphery can be properly studied within the framework of its strengths and limitations imposed by the engine of growth which is largely located in the advanced capitalist nations.

ii. Primitive Accumulation of Capital at the periphery

Primitive accumulation of capital in periphery social formations bears significant resemblance to the process that preceded the development of capitalism in Europe. This point has been well understood by most writers. Iyayi, for instance, in looking at the Nigerian case has observed that "while PAC (Primitive Accumulation of Capital) represents the primary method of capitalist accumulation, fully developed capitalism does not eliminate the method - it merely develops others in addition to it."⁹

Historically, Africa has played various roles in the process of European capitalist accumulation at different stages. In the most general terms, three distinctive phases can be delineated. Firstly, the mercantile era, which first brought Africa into contact with Europe. This period dates between the 17th and 19th centuries and was characterized by mercantile trade based on unequal exchange of products from different modes of production. Africa supplied exotic luxuries in exchange for European manufactured goods. This trade reached its zenith during the era of human trade which greatly depopulated the African continent. The second phase dawned with the close of the 19th century when European imperial powers which had met in Berlin in 1884, partitioned the continent into their respective spheres of influence. This was the advent of imperialism proper, and saw widespread colonization accompanied by the export of capital for extraction of minerals and establishment of agricultural plantations. The whole of the colonial period, which for the majority of African countries was characterized by this integration into the capitalist international division of labour lasted up to the 1960s when most of these countries attained political independence. The third phase, was ushered in by the post-second world war era and became more pronounced in the post-colonial era. The characteristic feature of this phase was the export of capital by Transnational Corporations (TNCs) and the setting up of a number of secondary industries. In the post independence era, a number of secondary industries were established by way of import substitution through joint ventures with TNCs or nationalized state sectors.

But the main distinguishing feature of peripheral capitalism is that the pre-conditions for its emergence were transplanted from outside and grafted on existing pre-capitalist modes of production. Pre-capitalist forms of production were only deformed and partially adapted to the new conditions. This was precisely the result of the uneven nature of capitalist penetration and its specific imperialist goals. Because of this alien nature of peripheral capitalism, the capitalists relied greatly on extra-economic measures in order to prepare the conditions for capitalist production:

The 'inducements' included the expropriation of large sections of the agricultural population through the theft and seizure of their lands, the rise of forced labour, the introduction of crushing taxes, conscription of Africans into the colonial armies for subsequent use as unpaid labour, the 'convenient' conscription of the rural population for the construction of public works, the use of brutal legislation, the redistribution of land and the deliberate underdevelopment of the rural areas in order to force their populations to the urban areas for factory work.¹⁰

Thus, in colonial territories, the laying down of the material pre-requisites for capitalist production had a more coercive bent to it.

The uneven nature of capitalist penetration in most African countries has resulted in the emergence of distorted socio-economic structures. A convenient way of studying these socio-economic structures, is to break them up into constituent economic sectors. Following this method, four main economic sectors are to be identified, viz, the various forms of pre-capitalist production, the national private capitalist sector, the foreign capitalist sector and the public sector. All these are tied together in an intricate complex web of interrelations ruled by capitalist exchange-relations. It is important to bear in mind that this is expressed as the unique form of peripheral capitalism in the era of capitalist imperialism. The foreign sector therefore, continues to dominate economic activity and influence profoundly, the trajectory of development.

Yet another unique feature of peripheral capitalism is the persistence of pre-capitalist forms, especially in agriculture. Pre-capitalist agrarian forms have demonstrated a remarkable capacity for survival and resilience. And yet, progress of capitalism is always premised on its ability to become exclusive. This point has been well noted by Samir Amin, who writes that:

The capitalist mode of production tends to become exclusive, that is, to destroy other modes of production. This feature, which is distinctive of the capitalist mode of production alone, operates where the latter is based on the creation and expansion of an internal market formed through the break-up of previously existing modes of production.¹¹

But it is precisely Amin's last point above, that is proving the stumbling block in the development of capitalism. Firstly, as already noted, pre-capitalist modes of production have demonstrated a tremendous resilience and capacity for survival of their own. Secondly, the imperialist character of peripheral capitalism has had a negative effect on the formation of the home market. There are many reasons that account for this; the extravert nature of the establishment of commodity production has shaped the growth of African economies in line with external demand by advanced capitalist nations for cheap agricultural and mineral raw materials. Unlike in Europe, where urbanization was synonymous with growth in industrial employment, the process in African countries is often characterized by growing unemployment and mass pauperization, thereby depriving capitalism of the basis for an internal market. The import of manufactured goods has further compounded the problem. Great income inequalities have tended to encourage the creation of an internal market based on production of luxury products for the consumption of the nouveaux riches. The resulting disproportion between industry and agriculture has put a formidable obstacle in the development of capitalism. In the final analysis, the problem is not one of ubiquitous spread of bourgeois - money commodity relations per se, it is one of progress of production and growth in the social division of labour.

Another ^{very} important feature distinguishing the process of capital accumulation at the periphery from the same process at the centre, is the nature of class formation and class structure. In advanced capitalist nations, the bourgeoisie and the Proletariat confront one another as members of the same social formation. The peculiar feature of peripheral social formations, is the absence of fully developed bourgeois classes and the preponderance of the peasantry. The profit motive of imperialist fortune seekers prevented the emergence of indigenous social classes that would compete for the economic wealth. Imperialism was more interested in the formation of an indigenous wage labouring class than a native bourgeoisie that would act as a rival. As a result of this, active measures were undertaken by the colonial state on behalf of imperialism to ensure that Africans presented no threat to the economic hegemony of foreign capitalist enterprises. In Zambia for instance, these measures took the form of discouraging the emergence of a prosperous indigenous capitalist class in agriculture.¹² As a result, at the time of independence, African countries were characterized by a dominant foreign bourgeoisie domiciled in the metropolitan centres, a weak and minute African proletariat located in agricultural plantations and mining centres, and a preponderant peasantry.

There was another important stratum of society, the elite drawn from the upper layers of pre-capitalist social formations and educated in mission schools, this stratum formed the lower echelons of colonial administration. This elite comprised of teachers, government junior clerks, nurses, etc. It is to this stratum that political power was transferred at independence.

Political independence opened up prospects for the growth of an indigenous capitalist class. But as Iyayi has observed:

The logic of PAC in the neo-colonial period (that is the period dating from about 1960 until the present) is that the transfer of political power to the spokes-people for the colonised takes place without a corresponding transfer of the economic means necessary to actualize that political power.¹³

In order to overcome the above weakness and engender conditions favourable to indigenous capital accumulation for economic development. The elite created large public sectors under state control. Nationalization was the most common method used. The state then took upon itself the role of capital accumulation. Thus came into being giant state corporations and parastatal companies that we see today.

Through various mechanisms, the state has become the main site for individual enrichment. An influential position in the state apparatus has been the passport which has been used by many to gain access to bank loans, licenses and managerial know-how, for profitable investment in the private sector. A well remunerated managerial elite which controls the public sector has emerged, a good number of whose members have acquired their own business interests in the private sector. This has resulted in the numerical rise in the strata of propertied Africans and the corresponding quantity of local capital.

It is difficult to call the newly emerged propertied strata in most of Africa, a bourgeoisie. Historically, the bourgeoisie is the class that spearheaded economic development in the now developed capitalist nations. But in the African context, the "indigenous bourgeoisie" is a subservient stratum to foreign capital. It is often located in ancillary sectors to foreign capital such as commerce and transport.¹⁴ Foreign capital has retained its dominant position in spite of nationalization. It continues to exercise hegemony through various mechanisms of control, such as industrial and agricultural technology, management contracts, licensing agreements, marketing and transfer pricing. This has meant that the principal contradiction between the African masses and imperialism has persisted in the post-independence.

Food dependency has now come to characterize the economies of a number of African countries. Attendant to it are political strings which are concealed under the false banner of aid.

External debt presents another major obstacle in Africa's efforts to attain economic development. One commentator has observed that; "Notwithstanding the smaller magnitude of African external debt as a whole the debt of almost every African country is astronomical in relation to its export earnings."¹⁸ Debt repayments and servicing continues to consume an ever increasing share of export earnings. This disrupts the implementation of long-term development plans as funds get diverted away from the projects they were earmarked for, in order to maintain credit worthiness. For the majority, they have had to resort to debt rescheduling as a way of surviving.

But the greater danger of external debt to African economies comes from conditionalities insisted on by Africa's leading credit suppliers, the International Monetary Fund (IMF) and its sister agency, the World Bank. The two institutions insist on a package of austere measures for the aid seekers, which almost always results in drastic reduction on expenditure on basic public services and food subsidies. Political and social upheavals have almost always followed, in those countries which have tried to fully implement these measures. In the last two years, Sudan and Zambia have had their share of "IMF riots", with drastic consequences for the regime in the former. Jackson has given a succinct summary of the cumulative effects of the problem on African nations:

The debt problem is not only slowing economic growth and increasing poverty; it is fomenting political upheaval by forcing these nations to neglect social and economic development in order to make debt payments.¹⁹

It is in the context of this crisis of the capitalist international system that we are witnessing a shift in development policy posture that is accelerating the rate of unbridled primitive accumulation of capital in Africa. There are new trends in African development that signalises the dawn of a new era.

At the helm of the current changes in the direction of economic development in Africa, are the two sister financial international institutions already cited, the IMF and World Bank. At another plane, capitalist governments headed by the United States are forcefully championing the cause of free-enterprise. The beginning of the present decade can roughly be said to represent the departure point of the new wave of policies that are being sold out to Africa. At the political level it was symbolized by the triumph of right-wing capitalist conservative forces as seen in the electoral victories of Ronald Reagan in the United States and Margaret Thatcher in Britain. The two have had a far reaching influence in the ordering of international economic affairs. They have not hesitated to use political means to direct the course of world affairs according to their world view.

Probably, the new shift in international development policy championed by capitalist forces was first clearly spelt out in a seminal report by the World Bank, which came out in 1981.²⁰ This Report, compiled at the initiative of the African Governors of the World Bank, with respect to Africa's economic development, stated that:

Three major policy actions are central to any growth - oriented program: (1) more suitable trade and exchange - rate policies; (2) increased efficiency of resource use in the public sector; and (3) improvement in agricultural policies.²¹

In actual practice, these policy actions are translated as:-

...Correction of exchange rates that have emerged in most countries; improved price incentives for exports and for agriculture; lower and more uniform protection for industry; and reduced use of direct controls.²²

In the years following the publication of this Report, capitalist governments have evolved a clearer translation of what the new shift consists of. There's no doubt remaining that behind all the high sounding phraseology used by economists, it is the capitalist path of development which is being recommended. This has come to form the cardinal condition for extending aid to African countries. The American position was clearly spelt out by one senior state department official when he pointed out that:

The four major "pillars" of our assistance strategy are: policy reform, strengthening of the indigenous private sector, institution building, and technology transfer.²³

A number of African countries are already being hailed in Western capitals and Washington as having made good progress along this road. Among them are Zambia, Kenya and Senegal.

But the truth of the matter, is that, in all this, its the international Capitalist forces that are reaping the most benefits. For the illustrations of how this is happening, the Zambian case study to which I now turn is most revealing.

ZAMBIA: A case study

Zambia falls into the category of countries that Samir Amin has called the African of the labour reserves. This categorization denotes the special nature of the regions integration into the capitalist world system. This was a region which was opened up for its vast mineral potential. For this reason "... capital at the centre needed to have a large proletariat immediately available".²⁴

Zambia's contribution to capital accumulation at the centre started with the commencement of large-scale copper-mining in the 1920s and early 1930s. Giant TNCs, Anglo-American Corporation (AIC) and American Metal Climax (AMC) between them, directed and controlled the development of the country's mining ^{industry} force, taxation, land alienation and forced labour were introduced by the colonial state. The result of these measures is seen in the high percentage of the population living in urban areas today, estimated around 40%. Since the first incorporation into the capitalist world system, Zambia has developed as a mono commodity enclave economy based on the export of copper. Other sectors of the economy, such as manufacturing, transport and power have developed only in response to the needs of this dominant sector. Agriculture has been the least developed sector in terms of capital expenditure. Government serviced agriculture is concentrated along the line of rail, where commercial farmers, taking advantage of the infrastructure and fertile soils, have managed to produce for the market which the mining industry has created for them.

The whole of the colonial period was characterized by the uninterrupted flow of profits from the mining industry to the shareholders in Europe and America. The mines had no re-investment policy, and the little revenue that accrued to the state was not used for investment in new productive sectors.

Political independence in 1964, for the first time created an opportunity for halting this flow of the country's economic surplus to the metropolitan centres. In an attempt to ^{augment} the government's base for development finance, the state nationalized the major means of production. In the major economic reforms announced between 1968 and 1969, the state took over a number of manufacturing industries and bought out 51% of the shares in each of the two major mining conglomerates that

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controlled the industry. For the first time, the state in Zambia had at its disposal considerable amounts that could be laid out for development purposes. The state therefore, became the principal force for internal capital accumulation. Through the creation of state corporations and parastatal companies, the public sector expanded its role in economic life. The process had its own contradictions, and I do not intend here to enter into a discussion of the performance of the public sector. Suffice to mention, that the public sector has evolved as a dependent sector on export revenue from copper, and continues to lose vast amounts of potential surplus to foreign sources through the various mechanisms already alluded to above.

Improvements were registered in society. Incomes for the urban groups rose and a number of social services were made available by the state at highly subsidized rates. But the spread of the benefits was highly skewed, with a bias towards the urban centres. This was a reflection of the relative strength of the various social groups that had participated in the nationalist struggle. The better organized urban unionized workers were able to successfully press for increased wages and improved working conditions following independence. The group of African petty-bourgeoisie, through various organizations in which they had influence, including the party were also able to influence the legislation of policy favourable to the growth of their class. Among the economic reforms of 1968, were specific classes granting monopoly rights in retail and wholesale trade to indigenous Zambians. The less organized sections of society came out the only ones with little to show for independence. In this regard the urban poor and peasants suffered most. Lacking channels for articulating their interest, they came to rely more and more on the benevolence of the state. This has been reflected in the persistence of rural backwardness and the low standards of living for the rural masses. The overall impact has been the neglect of agricultural development.

The government, in its paternalistic attitude towards the rural masses, tried various experimental strategies aimed at stimulating cash crop production among the rural producers. Almost in all cases, these strategies floundered. Whatever benefits that were created accrued to the few stronger members of rural society. Thus, the attempts to create an indigenous class of agricultural capitalists among the peasants have met with very little success. Commercial farmers, historically made up of immigrant settlers, and now joined by a number of indigenous Zambians whose source of initial capital is from outside the agricultural sector, continue to be the only strong rural force. Organized through the commercial farmers bureau, and represented at various levels of policy making, they see to it that their interest are well accommodated by the state.

A weak agricultural sector, as long as the country's export sector continued to be buoyant presented little worry to the state. Short falls in food output could always be met by imports, and raw materials for industry could still be imported. And this was the situation of Zambia, in the immediate post independence era. Copper fetched high prices on the world market and the country is said to enjoyed one of the highest standards of living in independent Africa.

But Zambia's serenity was jolted when the price of copper fell on the world market in 1973-74. This coincided with the first major oil shock, which saw the

price of the country's major import rise. The economy nose-dived. Shortage of foreign exchange resulted in supply-bottlenecks. The country soon began to experience balance of payments problems. The short-falls were met by foreign borrowings. The fragile nature of the country's economy was soon revealed for the first time the dangers of neglecting the agricultural sector stood out sharply.

By 1979, Zambia which had exported a little surplus of maize, most of it to Zaire began to experience short falls for internal consumption. Since then, the country has been supplementing local production with imported maize. Part of the blame has been attributed to drought which has been a recurring feature of Southern Africa in recent years. But most observers, including the government, have now admitted that policy weaknesses bear a large share of the problem.

The last decade has seen a drastic decline in the performance of the economy. And most of this decline has resulted from the dwindling resources of the country's main economic base, copper industry. In a statement issued by the minister of finance not so long ago, it was reported that:

(Export tonnage dropped from about 713000 tons in 1976 to about 539000 tons in 1986. Prices fell from US\$0.95/lb in 1975 to about US\$0.60 in 1986. With the drop in both tonnage and prices, revenue from copper exports fell from about US\$1.5bn in 1976 to about US\$710 million in 1986.²⁵)

The decline of the copper mining industry is further compounded by its bleak future. Projections are that the industry is close to the end of its life-span. Estimates are that between 10 and 30 years. A number of mines are already threatened with closure, and are busy retrenching labour to cut costs of production. The decline in that sector's contribution to the state budget, has also resulted in a perennial state deficit. In the same statement quoted above, the minister stated; "In 1985 and 1986, government spent about K3 billion a year in excess of what it earned."²⁶

This state of affairs has triggered off a search for developing other sectors of the economy in order to reduce dependence on copper. In this search, agriculture has been given high priority. Agriculture needs to be developed in order to provide, cheap food for Zambia's swelling urban population, raw materials for its industries, and export surplus for the purpose of earning foreign exchange. Because of these reasons, there is a widely felt sense of urgency about the need to develop the agricultural sector.

The shift from a copper based economy to one based on agriculture has been accompanied by the introduction of some far reaching policies. At the helm of these new policies, are Zambia's major international financiers, the I.D. and the World Bank. Spelt out in brief, the policies are towards greater liberalisation of the economy and less reliance on state controls and the role of the public sector. In agriculture this has meant introducing higher producer prices in order to stimulate productivity. International technical assistance has also come to focus more on agriculture. Zambia's rural provinces are divided among the integrated rural development programme (IRDP) approach, are busy trying to focus on ways of increasing the yield of peasant farmers destined for the market.

But the transformation of rural producers into capitalist farmers is proceeding at a snail's pace. They cannot be relied upon to fill the gap that the declining mining sector once occupied.

Whilst not abandoning the policy aimed at creating capitalist farmers from small producers, today there's a noticeable trend towards placing greater faith in large-scale capital in agriculture.

In a way, the desire to effect rapid transformation in agriculture, is not a new one. From the time of independence, when socialism was believed in, the state had attempted a number of strategies ~~in, the state had attempted a number of strategies~~ meant to bring about rapid transformation in agriculture. The first of these strategies, was the cooperative movement. When it failed, various forms of state-run settlement schemes were tried, only to be superseded by Rural Reconstruction Centres and National Service Production Camps involving less educated youths and school-leavers. All these performed below expectations and most of them had to be abandoned.

As late as 1980, the President of Zambia, still believed that large-scale capital in Zambian agriculture could be introduced through the public sector. He announced the launching of the Operation Food Production (OFP). OFP involved the sitting of 18 large-scale state farms, two in each province, to be developed with the assistance of foreign capital. Sites were located, and feasibility studies carried out. But the programme failed to attract foreign participation, as a result it failed to take-off. Early this year, the minister of Agriculture and Water Development finally admitted that the scheme had failed, and the government was looking for foreign investors to take them over.²⁷

The new trend seems to be encouraging large-scale foreign investors in agriculture, either through joint ventures with the state, or on their own. This has presented new problems in the social formation. Four recent cases of large-scale capital investment in agriculture will suffice to highlight the nature of these problems. They all owe their origins in the 1980s. These are cases which have received wide publicity through the local press and stirred great controversy.

In February 1985, there was a stir in Parliament when it was reported that the government had given over 20,500 hectares of land in Chief Chiyawas area in Lusaka rural to a foreign company, "New A.G. Zambia limited" owned by a Briton and Kenyan. Members of Parliament criticized the dubious conditions under which the company was awarded this land. They called for a reversal of the decision. But the government was adamant. Matters came to a head, when Parliamentarians voted over the issue, and the government lost by 42 votes to 55. But in spite of the voice of the Parliamentary majority, the government refused to rescind its decision. The President intervened, saying that; "I want investment in Zambia, so the Chiyawa issue is going ahead."²⁸ However, due to public outcry the government was forced to repossess the land, but shortly thereafter it is reported that one of the partners reapplied following normal procedure and was granted the same tract of land. A press report stated that; "An American businessman is to spend \$27 million on the development of the controversial 20,5000 hectare farm in Chief Chiawa in Lusaka rural."²⁹ That's how the matter closed.

The second case I call the Mwembeshi land row. This involved government repossession of about 42 small holder farms. The land was being allocated to the state corporation INDECO (Industrial Development Corporation) to be jointly developed with a Belgian TNC, Monterey Hays. They earmarked the land for a joint barley growing venture. Again the issue stirred so much controversy in the nation. The farmers

threatened with eviction even appealed to the President. The member of Parliament (MP) for the area presented the issue in parliament, but nothing has come out of it. The government is determined to go ahead. Over 19,000 hectares of land is involved.

The third case is that of the Gwembe Valley Development Corporation. This is yet another joint venture involving the Mint Corporation of Zambia (MINCO) a state parastatal, and Lumarus, an international agricultural services corporation and manufacturer of cotton ginneries based in the USA as the majority shareholder, holding 70 per cent of the shares. There are other small shareholders such as Hoechst. This company was formed in 1985. It acquired 2,100 hectares of land in Chief Sinazongwe for the purposes of cotton growing. Already it has cleared over 2000 hectares. The land under its ownership was formerly occupied by nine villages which have been issued with eviction orders. Again this has stirred a great controversy, with the local people protesting that matters are being decided over their heads to the advantage of foreign investors. The government has again failed to come to the rescue of the local communities.

The last case comes from Western Province where 300 peasants are reported to have lost their rights to another joint venture between the state and foreign investors. This one involves the Zambia Cashew Nut Company whose major shareholders are the state conglomerate ZIMCO (Zambia Industrial and Mining Corporation) and a British firm Landell Mills Associates of Bath, England. The amount of land involved is about 2km wide and 8km long. 38 peasant farms have been affected, and a row is raging over the matter.

There are not the only cases involved, nor is it just instances of foreign capital. There is a marked rush of the urban bourgeoisie to the rural areas to grab large tracts of land for commercial investments. There are also long established large-scale capital projects in agriculture which are of national importance. The Nakambala Sugar Estate in Southern Province, involving the British TNC Tate-Lyle, the Mpongwe Wheat Scheme on the Copperbelt involving the European Economic Commission (EEC), the Kasama Coffee Project involving the World Bank, are just some of the major ones.

Behind these projects there is a strong belief that the process of capital accumulation in agriculture will be speeded up. That these ventures would generate foreign exchange through export revenue from a growing share of their produce. That they would also meet national self-sufficiency and thereby curb the drain of foreign exchange earnings spent on importing the same products. That industries would be provided with readily available local raw materials. But is this being realistic?

Firstly, what we are witnessing today is a new phase of primitive accumulation of capital representing further destruction of pre-capitalist forms of production and divorcing of a growing section of rural society from their traditional means of production. This is being carried out at a grand scale. In the cases cited above, large numbers of members of rural society are affected. In the Mvumbeshi land row, for instance, we are told that the expropriation will affect a total population of more than 10,000 people. Initial estimates for the number of peasant farmers affected by the Gwembe Valley Development Company was put at 500, but new reports indicate that a population of well over 2000 people with herds of cattle and goats will be affected. In Southern Province, the situation has become so critical that, 10 MPs representing the area lodged a joint protest to the government early this year:

In a statement released in Lusaka MPs said they had noticed "with dismay" that large and vast pieces had been allocated to private companies, both

local and foreign, at the expense of peasants on the pretext that the firms had resources to develop the land.³⁰

In a situation in which the development of agriculture is not being coordinated with industrial development, it means the dispossessed rural population, just drift to the urban centres where they swell the already bursting ranks of the unemployed. One observer has already pointed out this phenomenon in countries where primitive accumulation of capital has reached an advanced stage:

In the large cities of the underdeveloped world, like Calcutta, Nairobi, Lima and Mexico city, the slum quarters and shanty towns are crowded with millions of displaced peasants who remain untrained, undernourished and generally unfit for industrial work even if it were to become available.³¹

This sad prospect is already haunting the large urban towns of Zambia. In a speech launching this year's Youth week activities, the President announced that the country's unemployment figure had reached the two million mark.

The social forces representing the interests of large-scale capital ventures in agriculture have loudly proclaimed the supposed benefits of their projects to the affected communities. One of the widely extolled "benefits" is employment creation. But the truth of the matter is that most of these projects are capital intensive employing few labourers, large numbers of whom are only seasonally employed.

Capital intensity also presents problems of its own. Most of the inputs required for these ventures have to be imported from foreign sources. This involves a further drain on the already depleted foreign currency reserves which nations are trying to save. It also defeats the purpose of employment creation as observed by someone:

The most fatal aspect of the operations of the Transnational Corporations is the transfer of a large part of the employment potential in Third World agriculture to the industries of the developed countries which produce fertilizers, chemicals, tractors and other goods needed for agricultural production.³²

A more or less similar conclusion has been reached by a Zambian Economist studying the impact of recent government economic policies:

The use of combine harvesters, tractors, highly complex irrigation systems etc. all make this type of agriculture very costly, especially with a devalued kwacha.³³

To sustain such a strategy, foreign borrowings will have to continue with the attendant hardships on people which it entails.

CONCLUSION

This paper has argued that primitive accumulation of capital formed the historic basis for the development of capitalism in the now advanced nations. In the era of capitalist imperialism, the same process is to be observed at the periphery of world capitalism. In the particular conditions of the current crisis of the international capitalist system, the process has acquired new momentum. In a bid to avert famine, dependency on imported raw materials, and generate new sources of foreign exchange,

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governments have come to focus on agriculture, a sector which has long been neglected in a number of African countries.

Focus on agriculture has been translated in terms of stimulating the productivity of the largest sections of rural society, the peasant producers. But the pace at which peasants are being transformed into rural capitalists leaves much to be desired. In recent times there is a noticeable new trend which bets on large-scale capital. This spells a loss of faith in the ability of peasant producers to effect rapid agricultural transformation in accordance with desired government goals. There is a growing belief that only large-scale capital will speed up the process of capital accumulation in agriculture. As a result, in instances of the clash of interest between large-scale capital and peasant producers, governments are ruling on behalf of the former. The sad part of it all, is that most of these large-scale capital ventures are foreign-owned or controlled. It seems imperialism is continuing with its sway, in spite of political independence.

Such a strategy of development, has serious problems of its own as revealed by the Zambian case study. Dispossession of rural producers under conditions of peripheral capitalism is only contributing to unemployment and the expansion of urban slums. These are tinder-boxes of urban discontent. In these circumstances, it's the TNCs which benefit as they are able to transfer profits abroad and spend substantial amounts importing expensive capital intensive technologies from their associated companies in the metropolitan centres. Much more can be said about the deleterious effects of this strategy.

FOOTNOTES

1. Marx, K. Capital Vol. 1 (Progress Publishers Moscow 1954) p. 668
2. Ibid p. 712
3. Ibid p. 688
4. Ibid p. 703
5. Ibid p. 711
6. Ibid p. 704
7. Lenin, I.V. Imperialism the Highest Stage of Capitalism (Progress Publishers 1978) p. 83
8. Ibid p. 78
9. Iyayi, F. "The Primitive Accumulation of Capital in A Neo-Colony: The Nigerian Case, Review of African Political Economy No. 35 1986 p. 29
10. Ibid p. 30-31
11. Amin, S. Accumulation on a World Scale (Monthly Review Press, New York 1974) p. 139
12. The colonial state through the Maize Ordinance Board of 1936 Cattle Ordinance Board controlled the prices of these commodities in a way which gave the white settlers advantage over indigenous producers.
13. Iyayi, Op. cit. p. 31
14. Khoros, V. Populism: Its Past, Present and Future (Progress Publishers Moscow 1980) p. 43
15. Iyayi, Op. cit. p. 32
16. Africa's Priority Programme for Economic Recovery 1986-90
An Organisation of African Unity (O.A.U.) paper presented to the United Nations (UN) General Assembly Special Session on Africa convened between May 27 to 31st of 1986. Quotation taken from the abridged version of the Report as reported by the Zambia Daily Mail, November 17, 1986.
17. Review of African Political Economy (ROAPE) No. 33, 1985 p. 2
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23. Whitehead. C.J. "Economic Reforms in Africa," Topic Issue No. 165 p. 3
24. Amin, S. "Underdevelopment and Dependence in Black African Origins and Contemporary, Forms" The Journal of Modern African Studies, 10, 4(1972)p
25. Kabwe, R.B. Opening Address to the Seminar on Zambia's Economic Adjustment and Reform Programme. Livingstone, Monday 12th January 1987. p. 3
26. Ibid p. 7
27. See Times of Zambia 15th February 1987
28. See Times of Zambia 25th April 1985
29. See Times of Zambia 28th November 1986
30. See Times of Zambia 7th March 1987
31. Jacoby, H.E. "Transnational Corporations and Third World Agriculture" Development and Change Vol. 6. No. 3 July 1975 p. 94
32. Ibid p. 95
33. Fundanga, C. "Key Issues and Impact on Key Economic Sectors" World Bank Seminar paper Livingstone January 12-15 1987 p. 8

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